



## Who We Are

The mission of the Department of Transitional Assistance (DTA) is to support low-income individuals and families to meet their basic needs, increase their incomes, and improve their quality of life. DTA works with individuals and families throughout the Commonwealth to provide services through a combination of federal and state-funded programs with the ultimate goal of achieving fiscal stability to each and every individual and family. DTA serves one out of every nine people in the Commonwealth – including working families, children, elders, and people with disabilities.

### Stabilizing the Working Poor

The Baker-Polito Administration is committed to refining DTA programs to help residents of the Commonwealth overcome barriers to economic self-sufficiency by gaining the skills and education needed to find and keep employment. To that end, DTA is committed to serving the working poor: helping them go from dependency on TAFDC and SNAP benefits to economic independence. To reach this goal, DTA will explore new ideas and program structures to allow a greater number of individuals and families to shed the safety net of government assistance and find a route out of poverty.

DTA has identified a number of areas where we believe we can significantly impact those we serve. By reducing barriers to access and focusing on the needs of clients, we can ensure that the benefits DTA administers truly serve as a way to transition out of poverty.

With this in mind, the Governor's FY17 budget proposes a number of changes to how DTA operates to stabilize the working poor, and help put families on a path out of poverty.

The initiatives below will simplify TAFDC grant calculations for our working clients, and will provide incentives for individuals to work, to remain employed and provide basic nutritional services to the working poor.

### **Changes to the TAFDC Eligibility and Grant Calculation**

The current Transitional Aid to Families with Dependent Children (TAFDC) eligibility determination and grant calculation is cumbersome and can be difficult to understand. The following changes are being enacted to incentivize clients to work:

Currently there are two financial tests of TAFDC eligibility. The first test determines if the client's gross income is over 185% of the TAFDC grant for that family. The second test determines the grant that a client will receive. DTA is proposing to simplify this to one eligibility test by eliminating the Gross Income Test which compares the client's income to 185% of the total grant amount. Eliminating this initial, duplicative gross income test will remove an unnecessary hurdle to calculating a client's grant amount, incentivize employment, and provide clients with a grant calculation that is understandable.

Instead of using an overly complicated calculation to determine a working client's grant, DTA proposes a simplified calculation that would be easier for clients to understand and staff to communicate.



In an effort to incentivize employment, DTA is changing how we calculate benefits. Moving forward, DTA will increase the monthly work-related expense deduction from \$150 to \$200, and disregard an additional 50% of monthly earnings. This will provide a greater incentive to work, and allow families to keep a larger portion of their take home pay. We believe this provides families a greater opportunity to achieve economic self-sufficiency and eventually transition off assistance and find a route out of poverty.

### **Expanding Access to Employment Support Services**

By fully funding Pathways to Self-Sufficiency, DTA is investing in the tools needed by clients to build the skills and experience required to secure meaningful employment and self-sufficiency. The Governor's budget increases Pathways funding from \$3 million to \$15.1 million to serve an estimated 3,200 clients.

These funds will be used to support clients through education and training programs leading to industry recognized credentials and employment in areas of emerging job markets. DTA must engage clients in meaningful activities that will lead to long term economic self-sufficiency versus participation in work activities for the sake of maintaining eligibility.

### **Promoting Responsible Parenting and Multigenerational Economic Stability**

Recognizing that every Massachusetts child deserves to be supported by both parents (including child support payments to help families as they move towards economic self-sufficiency), DTA proposes an Employment Service Program for noncustodial parents who are not in receipt of TAFDC, but who are legally liable for children who are receiving benefits with their custodial parent. This program would target up to 100 noncustodial parents for whom a child support order has been recently established and those without significant arrears. They will be eligible to participate in a skills training and employment supports program including training on positive parenting, healthy relationships, and money management. By participating in this program, noncustodial parents will gain relevant employment and parenting skills which will help them get better paying jobs and increase the amount of child support payments, ultimately helping the TAFDC family in reaching economic self-sufficiency.

### **Leading Domestic Violence Survivors to Safety and Economic Self-Sufficiency**

DTA's Domestic Violence (DV) Unit was created to ensure that both a client's safety and barriers to employment for survivors of domestic violence are addressed as early as possible, and that all appropriate services are made available. From January through November of 2015, the DV Unit helped 6,884 DTA clients survive domestic violence situations. The DV Unit also serves the Department of Housing and Community Development (DHCD), providing safety assessments and responding to all serious incident reports in the Emergency Assistance (EA) program. From January through November of 2015, the DV Unit helped 3,607 DHCD clients survive domestic violence situations, diverting over 745 clients from entering the over-burdened EA shelter system. The Governor's budget proposes adding eight additional dedicated DV Unit staff to ensure coverage in each DTA office.

### **New Transitional Benefit Alternative (TBA) for Newly Employed TAFDC Clients**

TAFDC benefits are designed to be short-term and transitional. However, when transitioning off of TAFDC, clients often face instability once the safety net of TAFDC benefits and supports have stopped. This is known as the "cliff effect." Losing key supports such as subsidized childcare and health insurance, as well as lowered SNAP benefits, can quickly cause a low-income family to turn back to TAFDC.

To lessen the cliff effect once their case closes due to job earnings, DTA is proposing the following supports:



- A 12-month time-limited, phased out transitional cash benefit will be provided to clients who no longer qualify for TAFDC due to job earnings. For the initial three months, former clients will receive \$200 per month. For the balance of the 12 months, the cash benefit will decrease by \$50 every third month.
- A major barrier impeding clients' successful transition from assistance to employment is affording transportation to get them to work. A 12-month time-limited, phased out transportation benefit will be provided to clients who no longer qualify for TAFDC due to job earnings. The former client would be receiving \$80 for the first three months. Each quarter for the balance of the 12 month, the transportation benefit would be reduced by \$20.

By providing 12 months of phased-out benefits clients will be able to better plan for both the short and long term and will help them to maintain employment and continue towards economic self-sufficiency. It is estimated that 4,560 families will benefit from this investment annually.

### **Subsidized Child Care as Alternative to TAFDC - Diversion**

DTA is working to help qualifying TAFDC applicants in their efforts to move towards self-sufficiency through employment. We have found that many low-income families turn to TAFDC due to the lack of affordable childcare. To combat that barrier, DTA plans to offer subsidized childcare to qualifying TAFDC applicants. Families who accept the subsidized child care will agree not to receive TAFDC for 12 months.

To be eligible for this diversion program, families would first need to meet the eligibility requirements for TAFDC benefits. Families would be offered the opportunity to apply for this diversion benefit if they:

- have a current job offer;
- have a recent work history;
- have job skills; or
- are nearing the end of unemployment benefits.

We believe that the receipt of subsidized childcare will be a great incentive to low income families to look for and accept employment, reducing or eliminating the need for these families to rely on TAFDC for financial support. This investment will provide childcare slots for approximately 750 children.

### **Childcare for Non-Legally Liable Caregivers**

Non-legally liable adults (usually an aunt, uncle or grandparent) who are working and caring for a relative's child pay for childcare out of pocket. These individuals do not receive TAFDC for themselves, but only receive a nominal TAFDC grant for the child in their care. Many of these relatives have stepped in to provide care due to substance abuse and mental health issues of the child's parent(s). There are approximately 769 TAFDC children with this custody arrangement which in many cases prevents these children from being placed in DCF custody overburdening an already stressed system. We want to ensure that the financial burden of these relatives is minimized by offering the opportunity for subsidized childcare.

### **New Transportation Allowance for SNAP Employment & Training (E&T) Programs**



As part of federal requirements, certain SNAP clients must participate in a SNAP E&T program. As stated earlier, a major barrier for those served by DTA is transportation. To lessen the previously mentioned transportation issue, DTA proposes to support SNAP clients who are in education and training programs by providing up to \$65 per month in transportation costs for six months. This initiative is expected to promote participation in the SNAP E&T program, and assist approximately 10,000 SNAP clients.

This payment provides working families greater economic security and offers clients incentives to work.

### **Addressing Nutrition Support for Low-Income Individuals and Families**

Nutrition plays a critical role in the health of individuals and families, from promoting overall well-being and reduced healthcare costs to improved test scores and brain development in children. Massachusetts is missing out on a tremendous opportunity to provide critical nutrition assistance to low-income individuals and families by failing to connect eligible MassHealth recipients with SNAP benefits. By creating a common application and eligibility process to serve both programs, Massachusetts would be able to connect a significant number of MassHealth recipients with SNAP benefits. This support not only helps to stabilize families, but contributes \$1.79 in state economic activity for every federal SNAP dollar issued.

### **Create Equity in Determining TAFDC Eligibility and Grant Levels**

Many TAFDC families in Massachusetts also receive income from other sources including Veteran's benefits, RSDI benefits and SSI. All of these offset the grant amount with the exception of SSI. This means that we are not treating all TAFDC clients the same with respect to counting income.

The intent of this initiative is to even the playing field amongst all TAFDC clients by treating SSI income the same as any other income source. While it will result in a number of families with SSI income either losing their TAFDC benefits (approximately 6,900) or experiencing a reduction in those benefits (approximately 1,600), it will also allow a number of SSI recipients (375) with lower grants to begin receiving TAFDC. The reductions in TAFDC benefits will be partially offset for many of these families by an increase in the state supplement to SSI (SSP) (approximately 3,100) and SNAP (approximately 7,400), and for those in public or subsidized housing (approximately 5,300), by a decrease in rent. Additionally, the SSI recipient will now be able to access education and training services, which is something they have been excluded from to date. Based on feedback from direct service staff in our 22 local offices, DTA has found that not counting the SSI income significantly contributes to a long-term stay on TAFDC. It is our belief that this change will move certain SSI recipients to economic self-sufficiency. The savings realized from this change will be used to support new investments to help the working poor reach economic self-sufficiency.